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May 5, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk and Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: Actions in Response to COVID-19

Docket: 2020-106-A

Dear Ms. Boyd:

Duke Energy Carolinas, LLC ("DEC"), Duke Energy Progress, LLC ("DEP") and Piedmont Natural Gas Company, Inc. ("Piedmont") (DEP, DEC and Piedmont collectively referred to as the "Companies") hereby inform the Public Service Commission of South Carolina ("Commission") of the Companies' support of the Office of Regulatory Staff's ("ORS") April 30, 2020 Petition for Waiver of Commission Regulations and Amendment of Order.

While utility bills will remain due, the Companies do not plan to immediately reinstitute disconnection upon the expiration of the State of Emergency, but are working through a potential grace period as economic recovery begins. In addition, the Companies understand customers are concerned about what may happen with the expiration of the State of Emergency. This week, we are beginning a campaign to proactively send text, email and outbound calls to residential and small business customers who are more than 60 days late on their bills, and offering to enroll them in six month payment arrangements to help alleviate concerns. The Companies will work with customers on extending those arrangements if circumstances warrant. We are also beginning an outbound call campaign to crisis assistance agencies across the state of South Carolina to ensure we have the most current information on their capacity to serve customers in need under current circumstances.

The Companies concur with the ORS's observation that reduced usage is impacting the fixed cost recovery and revenue assumptions included in rates designed to collect costs incurred in serving customers. The Companies also agree that accurate data is paramount in tracking

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costs, revenue impacts and savings related to COVID-19. Those costs include not only ongoing operational and financing costs necessary to serve customers, but the borrowings necessary to support extended payments arrangements which will be an important part of emerging from the COVID-19 crisis. The Companies will track such costs, revenue impacts and savings for future evaluation.

The Companies will keep the Commission, the ORS and customers informed as to our actions.

Sincerely,

Heather Snirley Smith

Heather Shirley Smith

cc: Nanette Edwards, Office of Regulatory Staff (via email)
Jeff M. Nelson, Esq. Office of Regulatory Staff (via email)
Andrew Bateman, Esq. Office of Regulatory Staff (via email)
Jenny Pittman, Esq. Office of Regulatory Staff (via email)
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